

**CERTIFIED MAIL**

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11/11/2016

As an organizing document you submitted with your application a document dated [REDACTED], entitled "Constitution" [REDACTED] [REDACTED] [REDACTED]. It states that your church is a newly formed church and is not a branch of any other [REDACTED] church, missionary or independent church. It has been signed by only one person, [REDACTED], Creator. You have only two officers, [REDACTED] and [REDACTED].

Section 501(c)(3) of the Code provides for the exemption of organizations which are organized and operated exclusively for religious, charitable, scientific, literary or educational purposes, for the prevention of cruelty to children or animals, or to test for public safety. No part of the net earnings of the organization may inure to the benefit of any individual.

Section 4.02 of Revenue Procedure 72-4, 1972-1 C.B. 706, states that exempt status will be recognized in advance of operations if proposed operations can be described in sufficient detail to permit a conclusion that the organization will clearly meet the particular requirements of the section under which exemption is claimed. A mere restatement of purposes or a statement that proposed activities will be in the furtherance of such purposes will not satisfy these requirements. The organizations must fully describe the activities in which it expects to engage, including the standards, criteria, procedures, or other means adopted or planned

for carrying out the activities; the anticipated sources of receipts; and the nature of contemplated expenditures.

Section 1.501(c)(3)-1(a)(1) of the Income Tax Regulations states that in order to be exempt as an organization described in section 501(c)(3), an organization must be both organized and operated exclusively for one of the purposes specified in that section. If an organization does not meet either the organizational or operational test it is not exempt.

Section 1.501(c)(3)-1(b)(1) of the regulations states that an organization is organized exclusively for and or more exempt purposes only if its articles of organization limit the purposes of such organization to one or more exempt purposes and do not expressly empower it to engage, otherwise than as an insubstantial part of its activities, in activities which in themselves are not in furtherance of one or more exempt purposes.

Section 1.501(c)(3)-1(b)(2) of the regulations states that the term "articles of organization" or "articles" includes the trust instrument, the corporate charter, the articles of association, or any other written instrument by which an organization is created.

Section 1.511-2(a)(3)(iii) of the regulations defines the term "church" to include a religious order or a religious organization if such order or organization (a) is an integral part of a church, and (b) is engaged in carrying out the functions of a church, whether as a civil law corporation or otherwise.

In Vaughn V. Chapman and Mildred C. Chapman v. Commissioner of Internal Revenue, 48 T.C. 358 (1967) the court considered the definition of a church in relation to section 170(b)(1)(A)(i). The court deferred the term "church" to be synonymous with the concept of denomination or sect. A concurring opinion defined "church" to be a religious organization which engaged in the ministration of sacerdotal functions and the conduct of religious worship for a regular congregation in accordance with the tenets and practices of a particular religious body. The court pointed out that the organization in the Chapman case was not a church because it was interdenominational, not affiliated with any particular religious body and did not propagate the tenets or beliefs of a specific religious group.

You do not meet the organizational test within the meaning of section 1.501(c)(3)-1(b)(i) of the Income Tax regulations nor are you an "organization" as that term is used in section 501(c)(3) of the Internal Revenue Code. Although the document which purports to be your organizing exclusively for religious purposes, it is signed by only one person, [REDACTED].

The term "organizations" as used in section 501(c)(3) of the Code includes corporations, trusts and unincorporated associations. You are not incorporated nor are you a trust and therefore you can only be considered as an "organization" within the meaning of section 501(c)(3) of the Code if you are an unincorporated association. Unlike a trust, an association cannot be formed by a single individual and articles of association cannot be promulgated by the act of one individual.

While you have stated that you will engage in regular church operations you have not yet begun to engage substantially in any proposed activities and your statements as to when and how you will operate are very broad and generalized.

Accordingly, we have concluded that you have failed to show that you will be operated exclusively for any of the exempt purposes specified in section 501(c)(3) because you have not described your various proposed activities in sufficient detail to permit a conclusion that you clearly meet the requirements of section 501(c)(3) of the Code.

Moreover, we conclude that you are not a church within the meaning of section 170(b)(1)(A)(i) as presently organized and operated. You have only [REDACTED] members other than the [REDACTED] officers. You hold 2 meetings a month and have no pastor of your own. You invite speaker-ministers for your worship service. You have no Sunday schools and no schools for the preparation of ministers at present. You indicate you will follow the King James version of the Bible; [REDACTED] literature as well as independent church literature. In addition, you have not established a distinct legal existence nor have your submissions evidenced the existence of a definite and distinct ecclesiastical government, a formal code of doctrine and discipline, or a distinct religious history. Furthermore, it appears that, like the organization in the Chapman case, your organization advocates the general principles of Christianity rather than the beliefs or tenets of any particular religious group.

We therefore conclude that you are not entitled to recognition of exemption from Federal income tax under section 501(c)(3) of the Code.

You are required to file Federal income tax returns on Form 1120 for each year that you have been in existence. Contributions to you are not deductible under section 170 of the Code.

If you do not accept our findings, we recommend that you request a conference with a member of our Regional Office of Appeals. Your request for a conference should include a written appeal giving the facts, law, and any other information to support your position as explained in the enclosed Publication 892. You will then be contacted to arrange a date for a conference. The conference may be held at the Regional Office, or if you request, at any mutually convenient District Office. If we do not hear from you within 30 days from the date of this letter, this determination will become final and a copy of this letter will be sent to the appropriate State officials in accordance with Section 6104(c) of the Internal Revenue Code.

If you do not protest this proposed determination in a timely manner, it will be considered by the Internal Revenue Service as a failure to exhaust available administrative remedies. Section 7428(b)(2) of the Internal Revenue Code provides in part that, "A declaratory judgment

[REDACTED]

or decree under this section shall not be issued in any proceeding unless the Tax Court, the Court of Claims, or the district court of the United States for the District of Columbia determines that the organization involved has exhausted administrative remedies available to it within the Internal Revenue Service."

Sincerely yours,

[REDACTED]  
District Director